

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

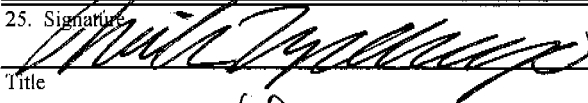

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-72027</b>
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>KERR McGEE OIL &amp; GAS ONSHORE LP</b>		7. If Unit or CA Agreement, Name and No. <b>MULLIGAN UNIT #UTU-63065X</b>
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>MULLIGAN 823-240</b>
3b. Phone No. (include area code) <b>(435) 781-7024</b>		9. API Well No. <b>43047-38713</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>SWSE 660'FSL, 1984'FEL 647254X 40.102720</b> At proposed prod. Zone <b>4440378Y -109.272400</b>		10. Field and Pool, or Exploratory <b>MULLIGAN Undersignated</b>
11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 24, T8S, R23E</b>		12. County or Parish <b>UINTAH</b>
13. State <b>UTAH</b>		14. Distance in miles and direction from nearest town or post office* <b>31.4 MILES SOUTH OF VERNAL, UTAH</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>660'</b>		16. No. of Acres in lease <b>640.00</b>
17. Spacing Unit dedicated to this well <b>40.00</b>		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C 8780'</b>
19. Proposed Depth <b>8780'</b>		20. BLM/BIA Bond No. on file <b>BOND NO: WY-2357</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5060'GL</b>		22. Approximate date work will start*
23. Estimated duration		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature 	Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Date <b>9/22/2006</b>
Title <b>REGULATORY ANALYST</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>10-12-06</b>
Title <b>ENVIRONMENTAL MANAGER</b>		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

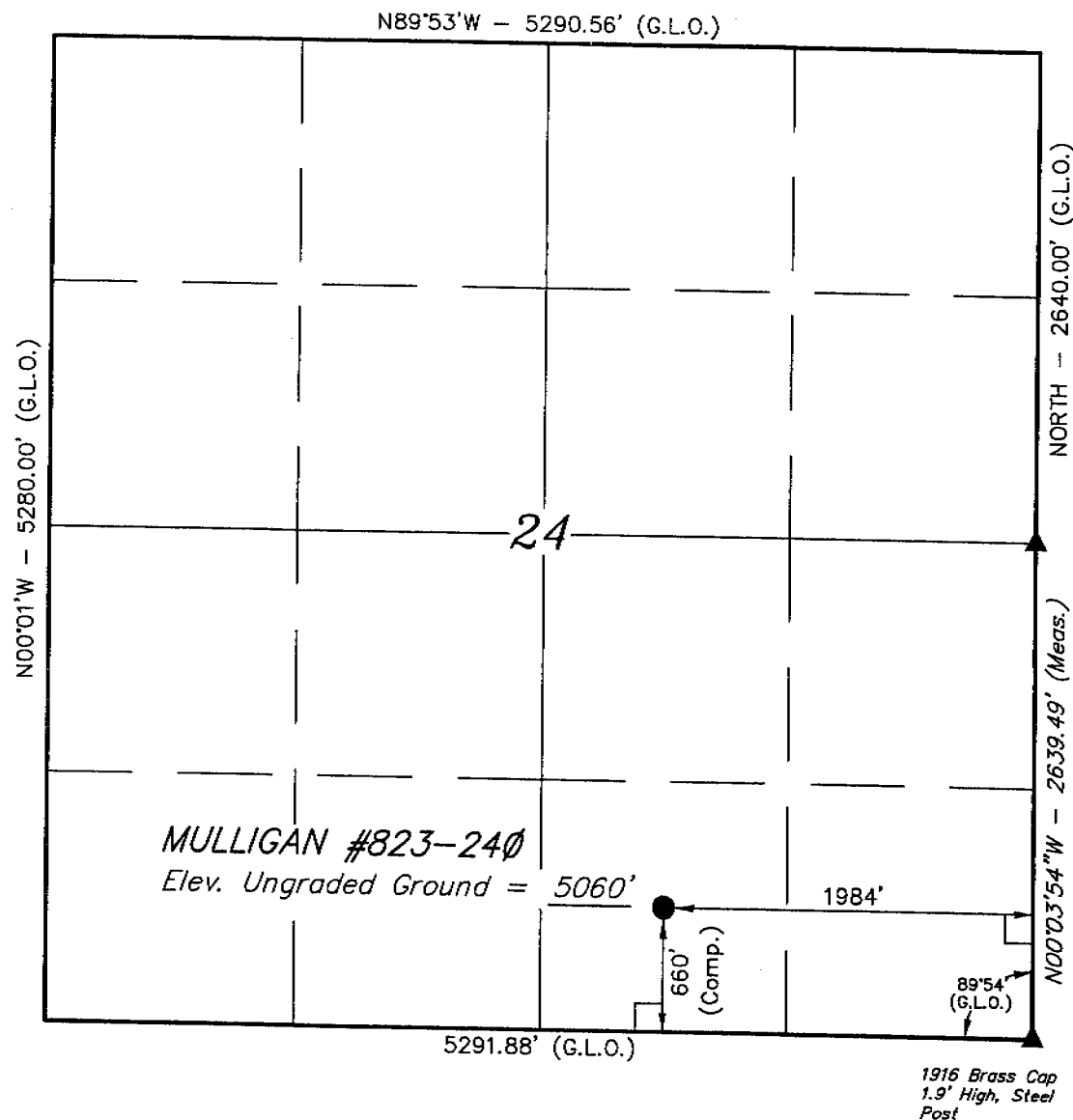
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

OCT 11 2006

Federal Approval of this  
Action is Necessary

T8S, R23E, S.L.B.&M.



LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
 LATITUDE = 40°06'09.77" (40.102714)  
 LONGITUDE = 109°16'23.09" (109.273081)  
 (NAD 27)  
 LATITUDE = 40°06'09.90" (40.102750)  
 LONGITUDE = 109°16'20.65" (109.272403)

Kerr-McGee Oil & Gas Onshore LP

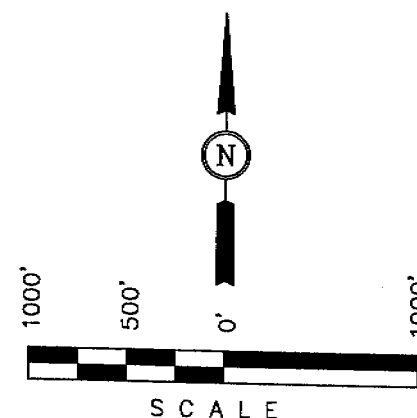
Well location, MULLIGAN #823-240, located as shown in the SW 1/4 SE 1/4 of Section 24, T8S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

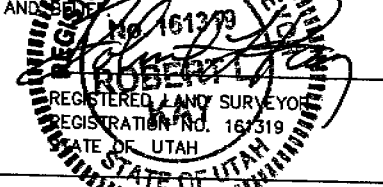
BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



UINTAH ENGINEERING & LAND SURVEYING  
 85 SOUTH 200 EAST - VERNAL, UTAH 84078  
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 08-12-06	DATE DRAWN: 08-15-06
PARTY D.K. T.A. C.H.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	

MULLIGAN 823-240  
SWSE SEC 24, T8S, R23E  
UINTAH COUNTY, UTAH  
UTU-72027

ONSHORE ORDER NO. 1

***DRILLING PROGRAM***

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Top of Birds Nest Water	2406'
Mahogany	2918'
Wasatch	4777'
Mesaverde	6732'
MVU2	7606'
MVL1	8076'
TD	8780'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Top of Birds Nest	2406'
	Mahogany	2918'
Gas	Wasatch	4777'
Gas	Mesaverde	6732'
Gas	MVU2	7606'
Gas	MVL1	8076'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

*Please refer to the attached Drilling Program.*

4. **Proposed Casing & Cementing Program:**

*Please refer to the attached Drilling Program.*

5. **Drilling Fluids Program:**

*Please refer to the attached Drilling Program.*

6. **Evaluation Program:**

*Please refer to the attached Drilling Program.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8780' TD, approximately equals 5444 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3512 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

9. **Variances:**

*Please refer to the attached Drilling Program.*

10. **Other Information:**

*Please refer to the attached Drilling Program.*

**KERR-McGEE OIL & GAS ONSHORE LP**  
**DRILLING PROGRAM**

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP	DATE	September 22, 2006
WELL NAME	MULLIGAN 823-240	TD	8,780' MD/TVD
FIELD	Natural Buttes	COUNTY	Uintah
		STATE	Utah
ELEVATION	5,060' GL	KB	5,075'
SURFACE LOCATION	SWSE SEC. 24, T8S, R23E 660'FSL, 1984'FEL	BHL	Straight Hole
	Latitude: 40.102714	Longitude:	109.273081
OBJECTIVE ZONE(S)	Wasatch/Mesaverde		
ADDITIONAL INFO	Regulatory Agencies: BLM (SURF & MINERALS), UDOGM, Tri-County Health Dept.		

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,777'					
Top of Birds Nest Water @ 2408'					
Preset f/ GL @ 2,800' MD					
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
Mahogany @ 2,918'					Water/Fresh Water Mud 8.3-11.0 ppg
Mud logging program TSD Open hole logging program f/ TD - surf csg			7-7/8"	4-1/2", 11.6#, L-80 or equivalent LTC casing	
Wasatch @ 4,777'					
Mverde @ 6,732'					
MVU2 @ 7,606'					
MVL1 @ 8,076'					
TD @ 8,760'					Max anticipated Mud required 11.0 ppg



# **KERR-McGEE OIL & GAS ONSHORE LP** **DRILLING PROGRAM**

## **CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR	CPLG	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2800	32.30	H-40	STC	673*****	1.05	3.21
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 8780	11.60	I-80	LTC	252	1.26	2.26

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: TD = 11.0 ppg) 22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)
- MASP 3091 psi

\*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2800' FMW @ 2800' for 2270# is 21.6 ppg or 1.13 psi/ft

## **CEMENT PROGRAM**

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
			+ 25 pps floccle				
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt	50		15.60	1.18
			+ 2% CaCl + 25 pps floccle				
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			NOTE: If well will circulate water to surface, option 2 will be utilized				
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite	170	35%	11.00	3.82
			+ 25 pps floccle + 1% salt BWTG				
	TAIL	500	Premium cmt + 2% CaCl	160	35%	15.60	1.18
			+ 25 pps floccle				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,270'	Premium Lite II + 3% KCl + 0.25 pps	470	60%	11.00	3.38
			celoflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	4,510'	50/50 Poz/G + 10% salt + 2% gel	1260	60%	14.30	1.31
			+ 1% P-3				

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

\*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

## **FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

## **ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

DATE:

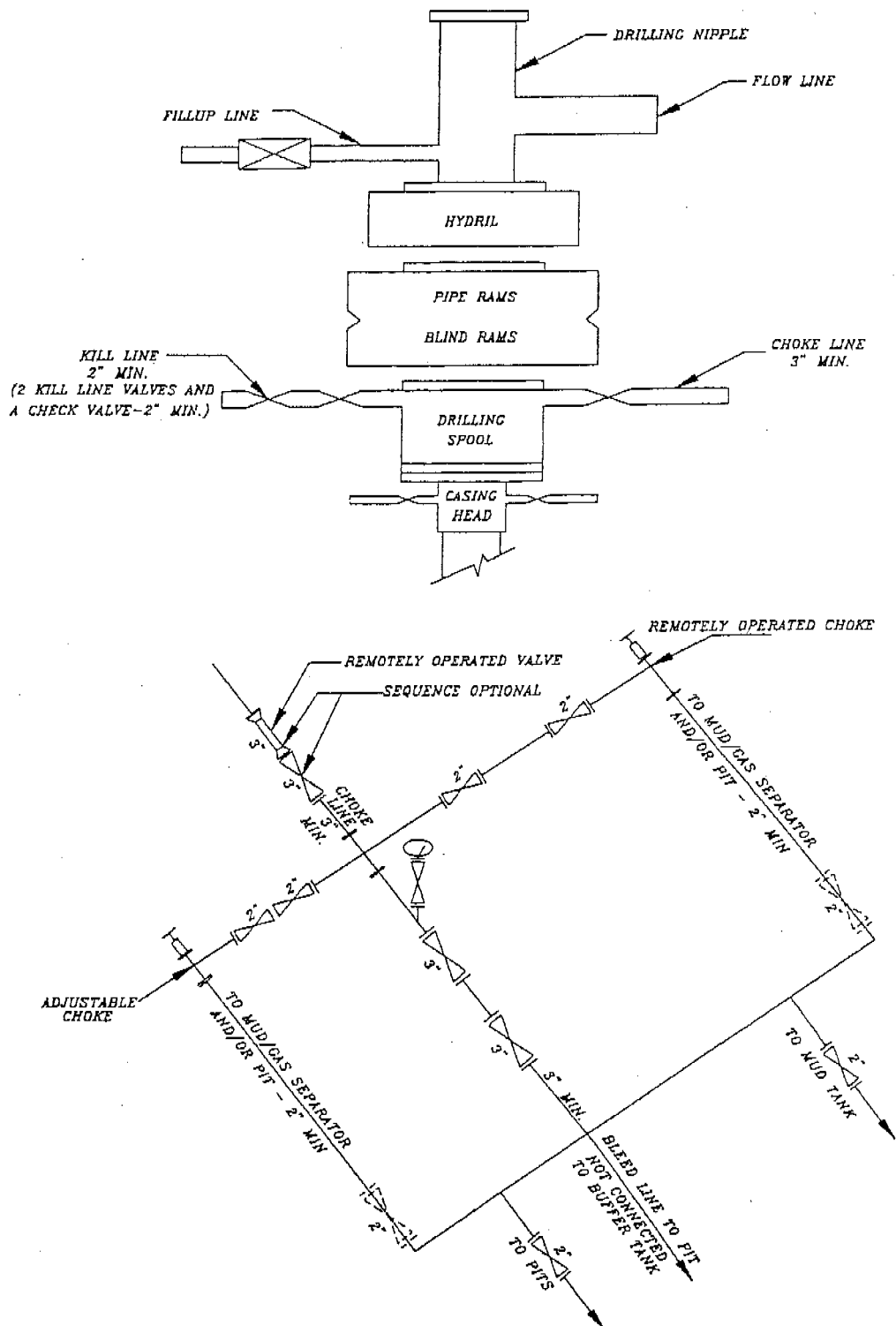
DRILLING SUPERINTENDENT:

Randy Bayne

MULLIGAN 825-240 APD.xls

DATE:

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



MULLIGAN 823-240  
SWSE SEC 24, T8S, R23E  
UINTAH COUNTY, UTAH  
UTU-72027

ONSHORE ORDER NO. 1

*MULTI-POINT SURFACE USE & OPERATIONS PLAN*

1. **Existing Roads:**

Directions to the proposed location are attached.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

Approximately 190' +/- of access road is proposed. Refer to Topo Map B.

Approximately 0.6 miles +/- of an existing 2-track road needs to be upgraded. Refer to Topo Map B.

The access road will be crowned (2 to 3%), ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing or shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.



**4. Location of Existing & Proposed Facilities:**

*The following guidelines will apply if the well is productive.*

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5 Y 6/2) as determined during the on-site inspection.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Refer to Topo Map D for the placement of the proposed pipeline.

Bury pipeline where it crosses drainage ditches. As discussed at the on-site inspection.

**Variances to Best Management Practices (BMPs) Requested:**

A 30' rights-of-way will be required for approximately 5913' +/- of 4" steel pipeline is proposed to a tie-in point to an existing pipeline. The pipeline from the proposed location to cross into Sec. 23, T8S, R23E Lease UTU-71424 and to an existing tie-in point. Refer to Topo Map D for pipeline placement.

The pipeline will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface.

**5. Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec.32, T4S,R3E, Water User Claim #43-8496, Application #53617.

Where available a 2" or 3" poly pipe will be installed with the existing rights-of-way to supply water during drilling and completion operations. There will be no new disturbance needed and the poly line will be removed after completion operations. The fresh water will be supplied from the power plant located within the following Sections 23, 24, 25, 26, 35, & 36, T8S, R23E.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**6. Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

**7. Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner is to be used as discussed during on-site inspection. It will be a minimum of 20 mil thick and felt, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR

355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

*Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E. (Request is in lieu of filing Form 3160-5, after initial production).*

**8. Ancillary Facilities:**

None are anticipated.

**9. Well Site Layout: (See Location Layout Diagram)**

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

**10. Plans for Reclamation of the Surface:**

*Producing Location:*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring of the pit, the stockpiled topsoil will be spread evenly over the location and the location will be reseeded see seed mixture.

*Dry Hole/Abandoned Location:*

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

**11. Surface Ownership:**

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435) 789-1362

**12. Other Information:**

A Class III archaeological survey and a paleontological survey have been completed and the reports will be submitted when reports become available.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

**Seed Mixture:**

The following seed mixture will be used during interim reclamation:

Galleta Grass                      20 lb/acre

Operator will contact the BLM for the seed mixture when final reclamation of the location occurs.

13. Lessee's or Operators's Representative & Certification:

Sheila Upchego  
Regulatory Analyst  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7024

Randy Bayne  
Drilling Manager  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP, is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP, agrees to be responsible under the terms and the conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for the lease activities is being provided by BLM Nationwide Bond #WY-2357.

I hereby certify that the proposed drill site and access route has been inspected and that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
Sheila Upchego

September 22, 2006  
Date

Kerr-McGee Oil & Gas Onshore LP  
MULLIGAN #823-240  
SECTION 24, T8S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 24.1 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING TWO-TRACK ROAD TO THE EAST; PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 190' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 30.4 MILES.

# Kerr-McGee Oil & Gas Onshore LP

MULLIGAN #823-240  
LOCATED IN UTAH COUNTY, UTAH  
SECTION 24, T8S, R23E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

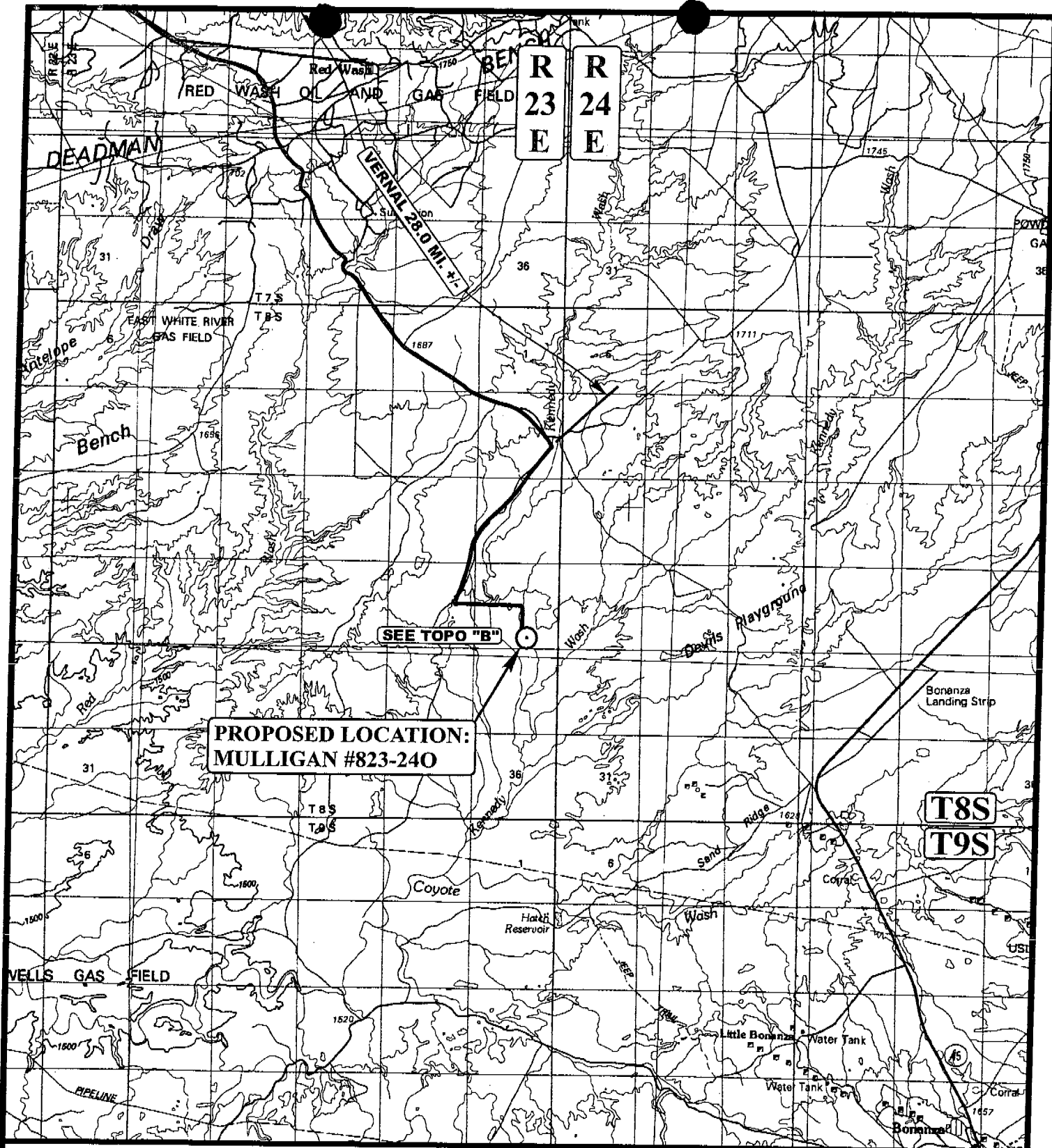
08 15 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.P.

REVISED: 00-00-00



# **LEGEND:**

○ PROPOSED LOCATION

**Kerr-McGee Oil & Gas Onshore LP**

**MULLIGAN #823-240**

**SECTION 24, T8S, R23E, S.L.B.&M.**

**660' FSL 1984' FEL**



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



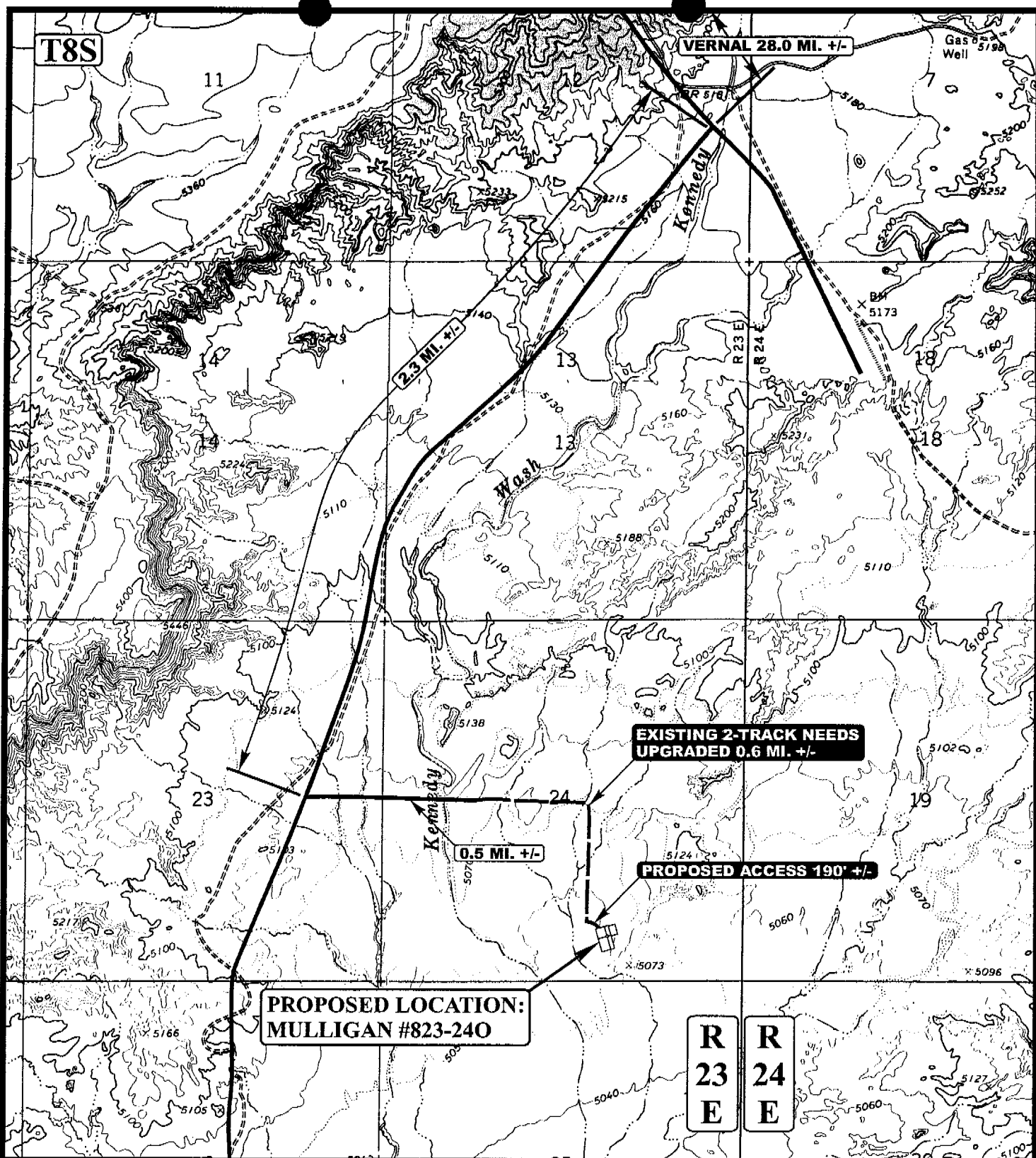
**TOPOGRAPHIC  
MAP**

**08 15 06**  
MONTH DAY YEAR

**SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00**

**A  
TOPO**





# **LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED



**Kerr-McGee Oil & Gas Onshore LP**

**MULLIGAN #823-240**

**SECTION 24, T8S, R23E, S.L.B.&M.**

**660' FSL 1984' FEL**



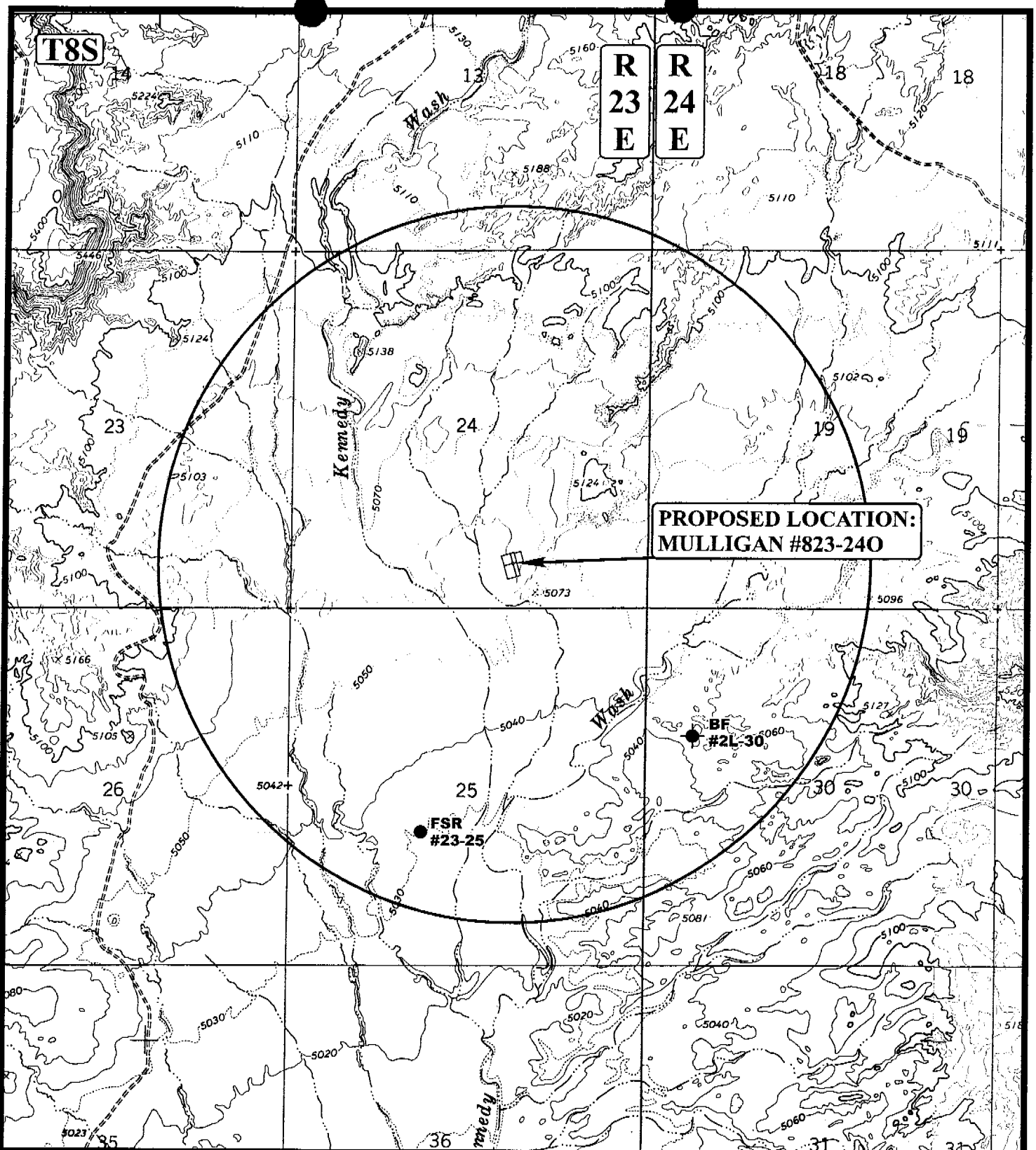
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**08 15 06**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**B  
TOPO**



# **LEGEND:**

- |                   |                         |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS  | ○ WATER WELLS           |
| ● PRODUCING WELLS | ● ABANDONED WELLS       |
| ● SHUT IN WELLS   | ● TEMPORARILY ABANDONED |



**Kerr-McGee Oil & Gas Onshore LP**

**MULLIGAN #823-240**

**SECTION 24, T8S, R23E, S.L.B.&M.**

**660' FSL 1984' FEL**



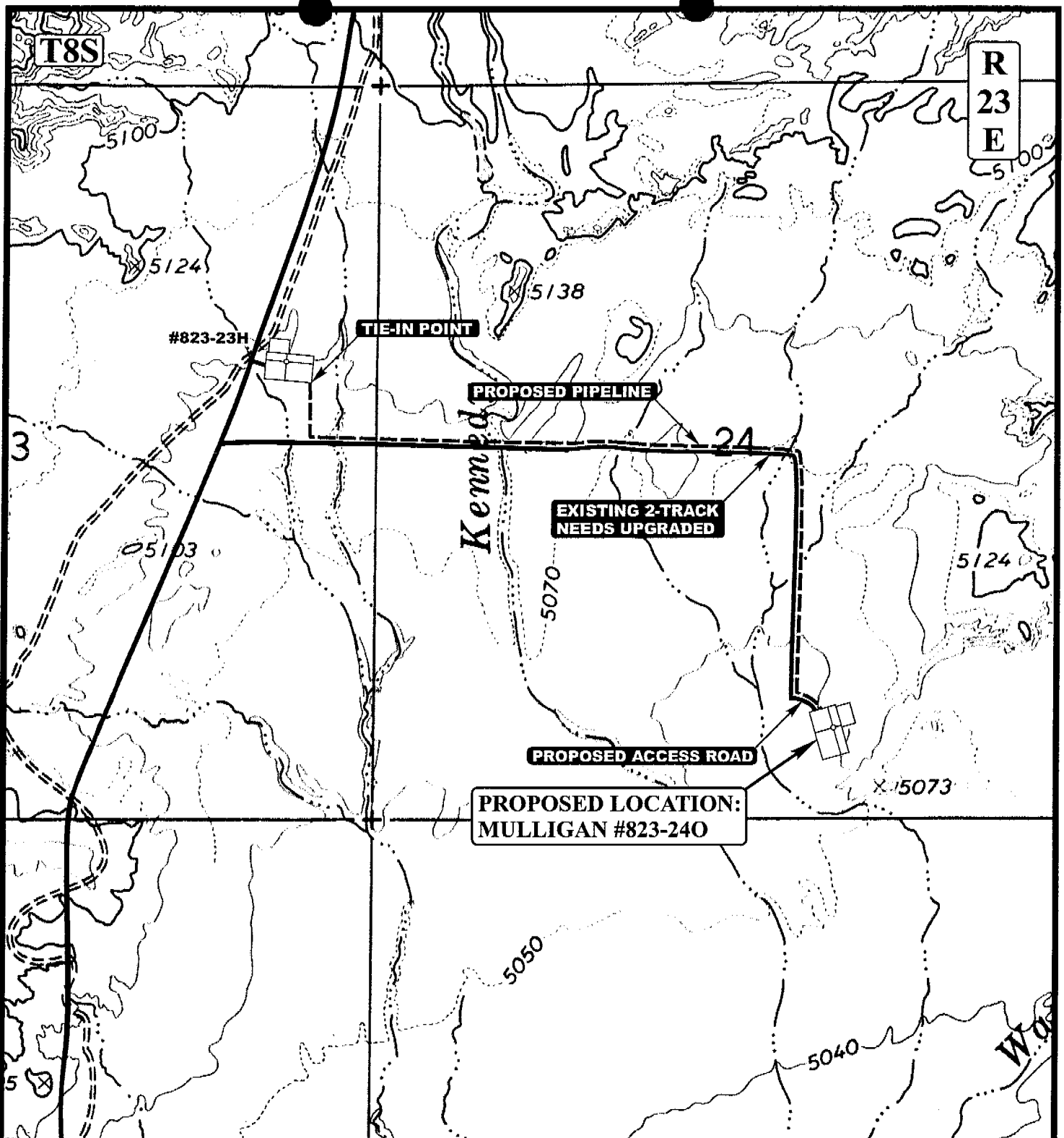
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**08 15 06**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**C**  
**TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 5,913' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING 2-TRACK NEEDS UPGRADED
- - - PROPOSED PIPELINE



**Kerr-McGee Oil & Gas Onshore LP**

**MULLIGAN #823-240**

**SECTION 24, T8S, R23E, S.L.B.&M.**

**660' FSL 1984' FEL**



**Utah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

**08 15 06**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

**D  
TOPO**

# Kerr-McGee Oil & Gas Onshore LP

MULLIGAN #823-240

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 24, T8S, R23E, S.L.B.&M.

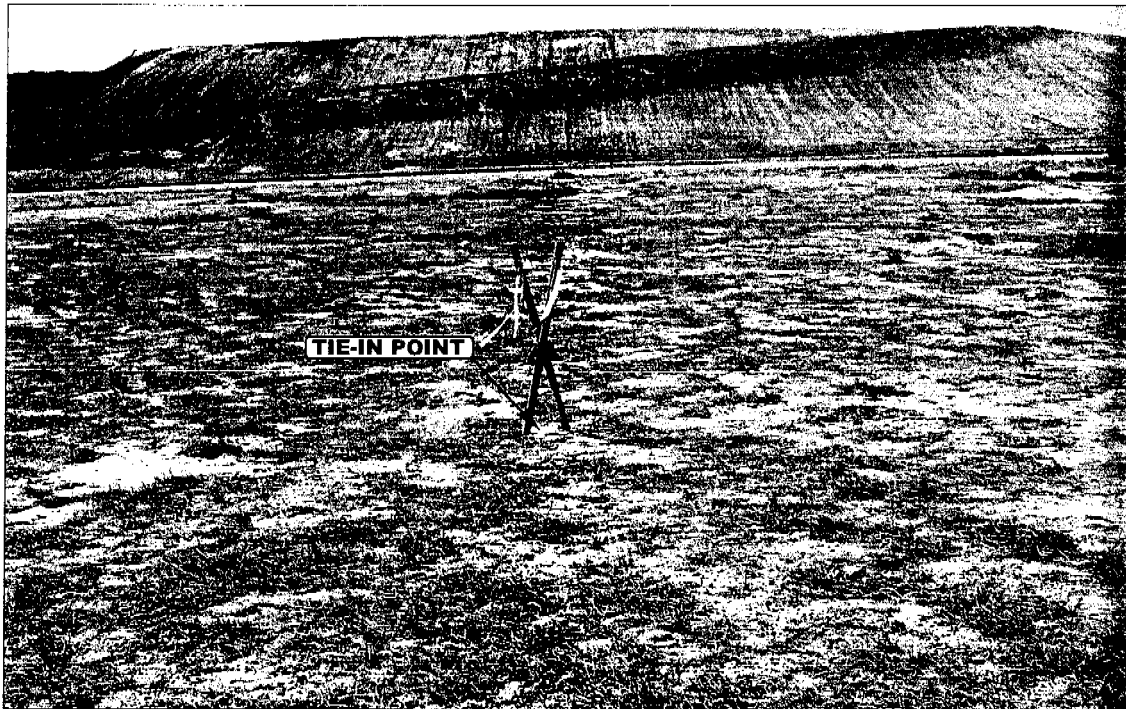


PHOTO: VIEW OF TIE-IN POINT

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: EASTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

08 15 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K. DRAWN BY: C.P. REVISED: 00-00-00

# Err-McGee Oil & Gas Onshore LP

FIGURE #1

## LOCATION LAYOUT FOR

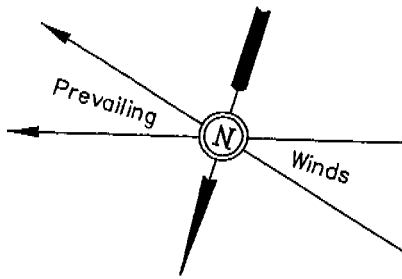
MULLIGAN #823-240

SECTION 24, T8S, R23E, S.L.B.&M.

660' FSL 1984' FEL  
C-1.7' El. 61.0'

Approx.  
Toe of  
Fill Slope

F-2.9' El. 56.4'

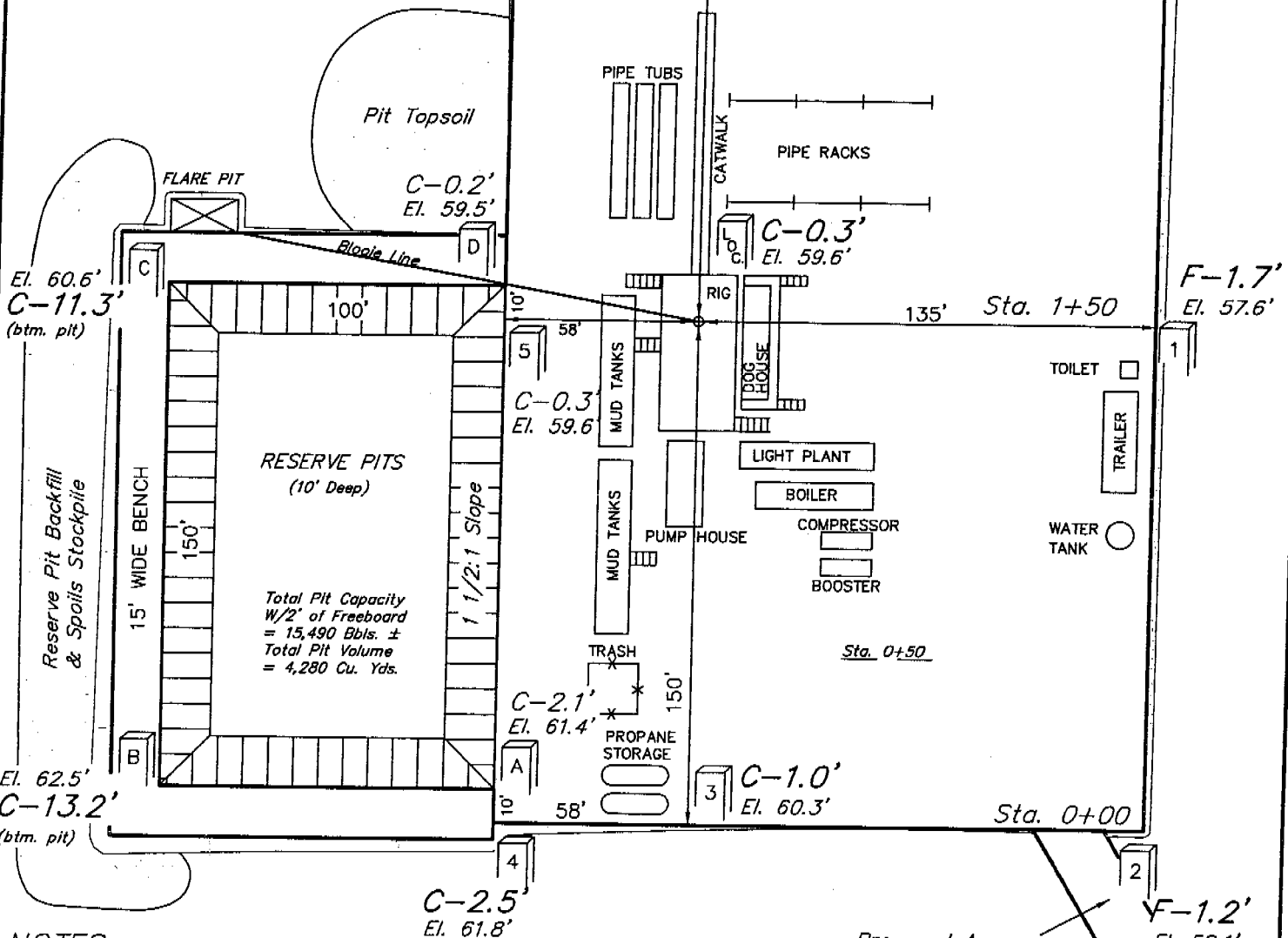
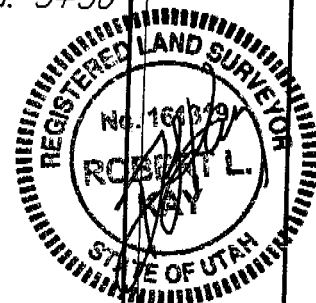


SCALE: 1" = 50'  
DATE: 08-15-06  
Drawn By: C.H.

### NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

Approx.  
Top of  
Cut Slope



### NOTES:

Elev. Ungraded Ground At Loc. Stake = 5059.6'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5059.3'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

## TYPICAL CROSS SECTIONS FOR

MULLIGAN #823-240

SECTION 24, T8S, R23E, S.L.B.&amp;M.

660' FSL 1984' FEL

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 08-15-06

Drawn By: C.H.

Preconstruction  
Grade

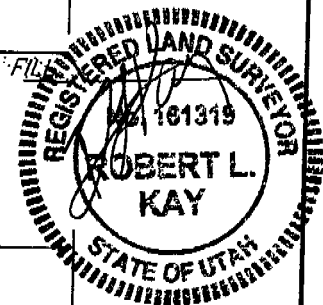
58'

135'

CUT

Finished Grade

STA. 3+50



15'

BENCH

100'

58'

135'

Location Stake

FILL

STA. 1+50

15'

BENCH

100'

58'

135'

Slope = 1 1/2:1  
(Typ.)

FILL

STA. 0+50

173'

135'

FILL

STA. 0+00

\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

## APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,730 Cu. Yds.
Remaining Location	= 5,500 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 7,230 CU.YDS.</b>
<b>FILL</b>	<b>= 3,240 CU.YDS.</b>

## NOTE:

Topsoil should not be  
Stripped Below Finished  
Grade on Substructure Area.

EXCESS MATERIAL	= 3,990 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,870 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 120 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah, 84078 \* (435) 789-1017

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 10/11/2006

API NO. ASSIGNED: 43-047-38713

WELL NAME: MULLIGAN 823-240

OPERATOR: KERR-MCGEE OIL & GAS ( N2995 )

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

**PROPOSED LOCATION:**

SWSE 24 080S 230E

SURFACE: 0660 FSL 1984 FEL

BOTTOM: 0660 FSL 1984 FEL

COUNTY: UINTAH

LATITUDE: 40.10272 LONGITUDE: -109.2724

UTM SURF EASTINGS: 647254 NORTHINGS: 4440378

FIELD NAME: UNDESIGNATED ( 2 )

INSPECT LOCATN BY: / /		
<b>Tech Review</b>	<b>Initials</b>	<b>Date</b>
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-72027

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

**RECEIVED AND/OR REVIEWED:**

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. WY-2357 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 43-8496 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)

**LOCATION AND SITING:**

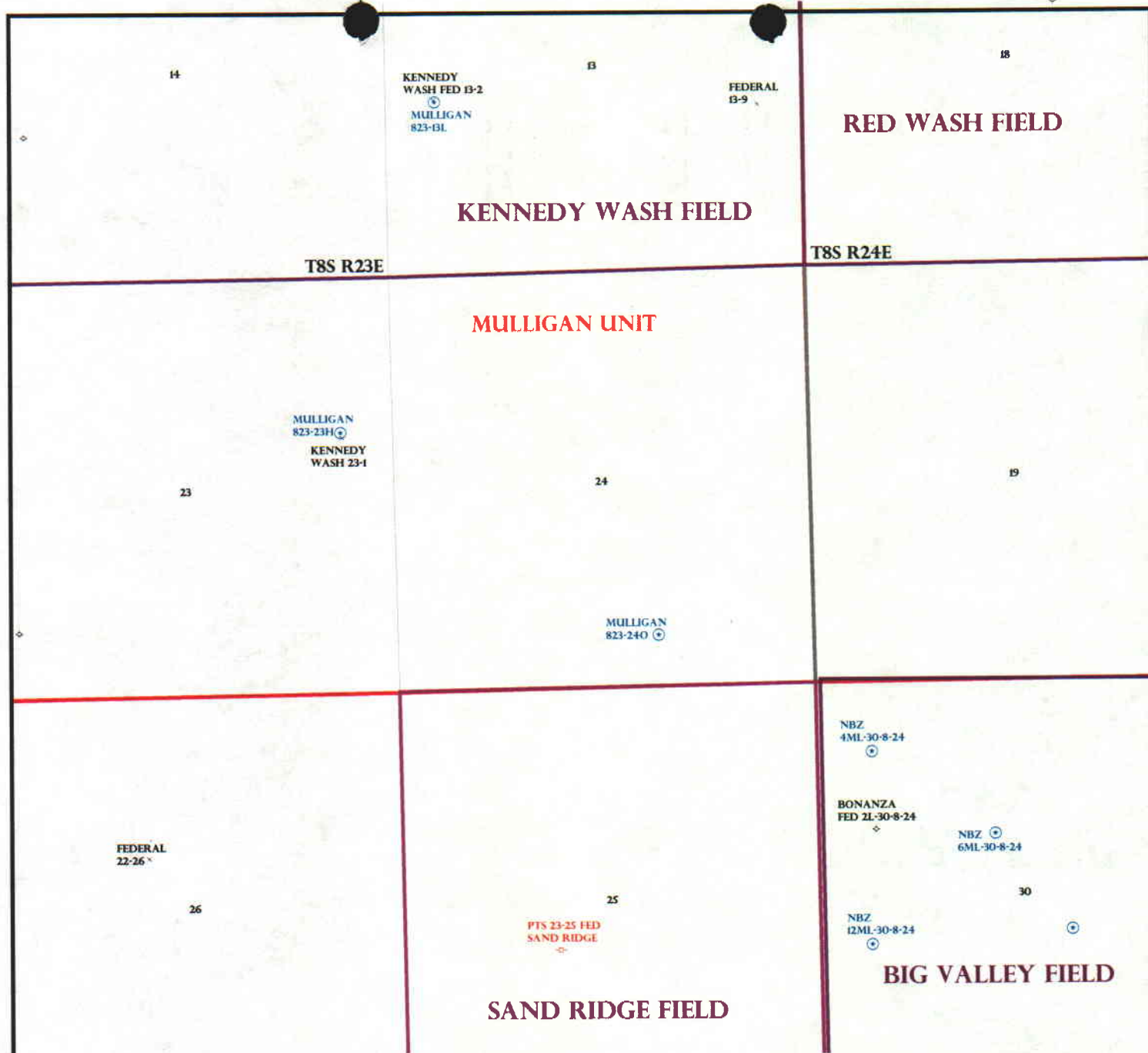
☐ R649-2-3.  
Unit: MULLIGAN  
☒ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
☐ R649-3-3. Exception  
☐ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
☐ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

*1- Federal Approval*  
*2- Spacing Slip*





OPERATOR: KERR MCGEE O&G (N2995)

SEC: 24 T.8S R. 23E

FIELD: UNDESIGNATED (002)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

**Field Status**

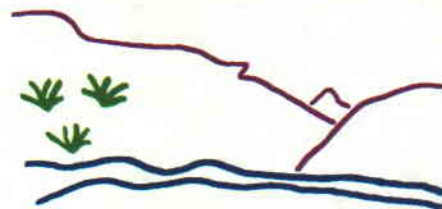
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

**Unit Status**

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

**Wells Status**

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



*Utah Oil Gas and Mining*



PREPARED BY: DIANA WHITNEY  
DATE: 12-OCTOBER-2006



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160  
(UT-922)

October 12, 2006

**Memorandum**

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2006 Plan of Development Mulligan, Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2006 within the Mulligan Unit, Uintah County, Utah.

API#	WELL NAME	LOCATION
(Proposed PZ Wasatch/MesaVerde)		
43-047-38713	Mulligan 823-240 Sec 24 T08S R23E 0660 FSL 1984 FEL	

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File – Mulligan Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:10-12-06



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

October 12, 2006

Kerr-McGee Oil & Gas Onshore LP  
1368 S 1200 E  
Vernal, UT 84078

Re: Mulligan 823-24O Well, 660' FSL, 1984' FEL, SW SE, Sec. 24, T. 8 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38713.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

Operator: Kerr-McGee Oil & Gas Onshore LP  
Well Name & Number Mulligan 823-240  
API Number: 43-047-38713  
Lease: UTU-72027

Location: SW SE                      Sec. 24                      T. 8 South                      R. 23 East

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

**Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.

UTU-72027

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

MULLIGAN UNIT UTU-63065X

8. Well Name and No.

MULLIGAN 823-240

9. API Well No.

4304738713

10. Field and Pool, or Exploratory Area

UNDESIGNATED

11. County or Parish, State

UINTAH, UTAH

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

435-781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660'FSL-1984'FEL

SWSE SEC 24-T8S-R23E

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other APD EXTENSION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	DOGM
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL AND GAS ON OCTOBER 12, 2006.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 09-27-07

By: [Signature]

9-28-07  
RM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

REBECCA WORTHEN

Title

LAND SPECIALIST

Signature

[Signature]

Date

September 18, 2007

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

**RECEIVED**

**SEP 25 2007**

**DIV. OF OIL, GAS & MINING**

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304738713  
**Well Name:** MULLIGAN 823-240  
**Location:** SWSE SEC 24-T8S-R23E  
**Company Permit Issued to:** Kerr McGee Oil and Gas Onshore LP  
**Date Original Permit Issued:** 10/12/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Rebecca Worthen  
Signature

9/18/2007

Date

Title: Land Specialist

Representing: Kerr McGee Oil and Gas Onshore LP

**RECEIVED**

**SEP 25 2007**

DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-72027
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
3. ADDRESS OF OPERATOR: P.O. Box 173779 CITY Denver STATE CO ZIP 80217-3779		7. UNIT or CA AGREEMENT NAME: N/A 823
4. LOCATION OF WELL FOOTAGES AT SURFACE: 660' FSL & 1984' FEL 8 QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSE 24 1/4 S 23E		8. WELL NAME and NUMBER: Mulligan 1123-240
PHONE NUMBER: (720) 929-6226		9. API NUMBER: 4304738713
		10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field
		COUNTY: Uintah
		STATE: UTAH

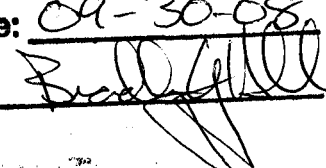
**11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

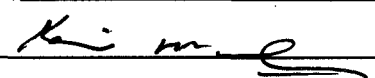
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: APD Extension
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr-McGee Oil & Gas Onshore, LP respectfully requests a one year extension for this APD in order to complete drilling operations. The Utah Division of Oil, Gas, and Mining initially approved this APD on 10/12/2006.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 09-30-08  
By: 

NAME (PLEASE PRINT) Kevin McIntyre	TITLE Regulatory Analyst
SIGNATURE 	DATE 9/29/2008

(This space for State use only)

COPY SENT TO OPERATOR

Date: 10-2-2008  
Initials: KS

(5/2000)

(See Instructions on Reverse Side)

RECEIVED

SEP 30 2008

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 4304738713  
**Well Name:** Mulligan 823-240  
**Location:** SWSE 660' FSL & 1984' FEL, Sec. 24, T8S, R23E  
**Company Permit Issued to:** Kerr-McGee Oil & Gas Onshore, LP  
**Date Original Permit Issued:** 10/12/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

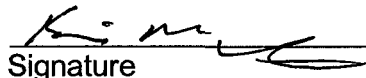
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

9/29/2008  
Date

Title: Regulatory Analyst

Representing: Kerr-McGee Oil & Gas Onshore, LP

RECEIVED  
SEP 30 2008  
DIV. OF OIL, GAS & MINING



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

February 24, 2009

Raleen White  
Anadarko Petroleum Corp.  
PO Box 173779  
Denver, CO 80217-3779

43 047 38713  
Mulligan 823-240  
85 23 E 24

Re: APDs Rescinded at the request of Anadarko Petroleum Corp.


Dear Ms. White:

Enclosed find the list of APDs that you requested to be rescinded to Anadarko Petroleum Corp. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective February 20, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
Bureau of Land Management, Vernal  
SITLA, Ed Bonner



43047395730000	FEDERAL 1021-23P	10S	21E	23	SESE
43047395770000	FEDERAL 1021-25I	10S	21E	25	NESE
43047395760000	FEDERAL 1021-25M	10S	21E	25	SWSW
43047397930000	Federal 1021-25N	10S	21E	25	SESW
43047395810000	FEDERAL 1021-34K	10S	21E	34	NESW
43047395520000	FEDERAL 1021-34M	10S	21E	34	SWSW
43047395560000	FEDERAL 1021-34P	10S	21E	34	SESE
43047389890000	FEDERAL 1021-35F	10S	21E	35	SENW
43047389760000	FEDERAL 1021-35G	10S	21E	35	SWNE
43047389380000	FEDERAL 1021-35H	10S	21E	35	SENE
43047389350000	FEDERAL 1021-35I	10S	21E	35	NESE
43047389330000	FEDERAL 1021-35P	10S	21E	35	SESE
43047389370000	FEDERAL 1021-35A	10S	21E	35	NENE
43047365050000	LOVE 1121-2B	11S	21E	02	NWNE
43047394050000	LOVE UNIT 1121-10NT	11S	21E	10	SESW
43047393910000	LOVE UNIT 1121-3NT	11S	21E	03	SWSW
43047388240000	LOVE UNIT 1122-18C	11S	22E	18	NENW
43047388250000	LOVE UNIT 1122-18J	11S	22E	18	NWSE
43047388260000	LOVE UNIT 1122-18K	11S	22E	18	NESW
43047396050000	LOVE UNIT 1122-18L	11S	22E	18	NWSW
43047396030000	LOVE UNIT 1122-19C	11S	22E	19	NENW
43047386310000	MULLIGAN 823-23H	08S	23E	23	SENE
43047387130000	MULLIGAN 823-24O	08S	23E	24	SWSE
43047393730000	NBU 1020-1KT	10S	20E	01	NESW
43047393740000	NBU 1020-24BT	10S	20E	24	NWNE
43047393760000	NBU 1021-11I	10S	21E	11	NESE
43047393800000	NBU 1021-11M	10S	21E	11	SWSW
43047393790000	NBU 1021-11P	10S	21E	11	SESE
4304739383	NBU 1021-12A	10S	21E	12	NENE
43047393860000	NBU 1021-12L - STATE	10S	21E	12	NWSW
43047393840000	NBU 1021-12N	10S	21E	12	SESW
43047395470000	NBU 1021-15F	10S	21E	15	SENW
43047395460000	NBU 1021-15L	10S	21E	15	NWSW
43047395630000	NBU 1021-15P	10S	21E	15	SESE
43047395260000	NBU 1021-20G STATE/FED	10S	21E	20	SWNE
43047395340000	NBU 1021-20J STATE/FED	10S	21E	20	NWSE
43047395330000	NBU 1021-20K STATE/FED	10S	21E	20	NESW
43047395320000	NBU 1021-20L STATE/FED	10S	21E	20	NWSW
43047395310000	NBU 1021-20O STATE/FED	10S	21E	20	SWSE
43047375280000	NBU 1021-21C (FKA C275)	10S	21E	21	NENW
43047367020000	NBU 1021-21H	10S	21E	21	SENE
43047395500000	NBU 1021-22A	10S	21E	22	NENE
43047394030000	NBU 1021-23FT	10S	22E	23	SENW
43047395600000	NBU 1021-23L	10S	21E	23	NWSW
43047395780000	NBU 1021-25F	10S	21E	25	SENW
43047395750000	NBU 1021-25J	10S	21E	25	NWSE
43047395610000	NBU 1021-25K	10S	21E	25	NESW

43047395800000	NBU 1021-26D	10S	21E	26	NWNW
43047395790000	NBU 1021-26E	10S	21E	26	SWNW
43047379680000	NBU 1021-6C	10S	21E	06	NENW LOT 3
43047379670000	NBU 1021-6D	10S	21E	06	NWNW LOT 4
43047379410000	NBU 1021-7B	10S	21E	07	NWNE
43047401850000	NBU 921-31BT	09S	21E	31	NWNE
43047363950000	NBU 921-33K	09S	21E	33	NESW
4304740038	HATCH 923-13A	09S	23E	13	NENE
4304740060	HATCH 923-13ED	09S	23E	13	SWNW
4304740059	HATCH 923-13O	09S	23E	13	SWSE
4304740061	HATCH 923-14M	09S	23E	14	SWSW
4304740143	HATCH 923-14O	09S	23E	14	SWSE
4304740064	HATCH 923-15B	09S	23E	15	NWNE
4304740062	HATCH 923-15L	09S	23E	15	NWSW
4304740063	HATCH 923-15P	09S	23E	15	SESE
4304740065	HATCH 923-24O	09S	23E	24	SWSE
4304740069	HATCH 923-25A	09S	23E	25	NENE
4304740068	HATCH 923-25I	09S	23E	25	NESE
4304740070	HATCH 923-25O	09S	23E	25	SWSE
43047388010000	FEDERAL 1022-15H	10S	22E	15	SENE
4304739388	FEDERAL 1022-15K	10S	22E	15	NESW
43047389240000	FEDERAL 1022-15L	10S	22E	15	NWSW



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal/html>



IN REPLY REFER TO:

3160

LLUTG01100

March 3, 2009

Raleen White  
Kerr McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779

43-047-3 8713

Re: Return Unapproved APD  
Well No. Mulligan 823-240  
SWSE, Sec. 24, T8S, R23E  
Uintah County, Utah  
Lease No. UTU-72027  
Mulligan Unit

Dear Ms. White:

The Application for Permit to Drill (APD) for the above referenced well received September 25, 2006, is being returned unapproved per your request to this office in an email message on February 20, 2009. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

*Cindy Severson*

Cindy Severson  
Land Law Examiner

Enclosures

cc: UDOGM

RECEIVED  
MAR 10 2009  
DIV. OF OIL, GAS & MINING